

May 8, 2007

Los Angeles County Board of Supervisors

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012

Gloria Molina First District

Yvonne B. Burke Second District

Dear Supervisors:

Zev Yaroslavsky Third District

Don Knabe

APPROVE AMENDMENT NO. 2 TO AGREEMENT WITH RAD-IMAGE MEDICAL GROUP, INC. FOR SPECIALTY AND TEMPORARY TELERADIOLOGY SERVICES

(2nd and 5th Districts) (3 Votes)

Michael D. Antonovich Fifth District

IT IS RECOMMENDED THAT YOUR BOARD:

Bruce A. Chernof, MD Director and Chief Medical Officer

> John R. Cochran III Chief Deputy Director

Robert G. Splawn, MD Senior Medical Director Approve and instruct the Director of Health Services, or his designee, to execute and sign Amendment No. 2 (Exhibit I) to Agreement No. H-701025 with Rad-Image Medical Group, Inc. (Rad-Image), to continue the provision of temporary teleradiology services to Harbor-UCLA Medical Center (Harbor) and Martin Luther King, Jr.-Harbor Hospital (MLK-Harbor), extend the hours of coverage to 24 hours for weekends and holidays, expand the provision of these services to include Olive View-UCLA Medical Center (OVMC), and extend the term of the Agreement, effective May 17, 2007 through May 16, 2008, for a total maximum obligation of \$570,140, with a request for a month-to-month extension for a maximum of six additional months through November 16, 2008, for an additional maximum obligation of \$285,070.

313 N. Figueroa Street, Suite 912 Los Angeles, CA 90012

> Tel: (213) 240-8101 Fax: (213) 481-0503

PURPOSE/JUSTIFICATION OF THE RECOMMENDED ACTION:

Approval of the Amendment to the Agreement with Rad-Image will continue the provision of teleradiology services to MLK-Harbor and Harbor through May 16, 2008, extend the hours of coverage to 24 hours for weekends and holidays, and expand the provision of these services to include OVMC to provide additional radiology support staff for the Department of Health Services (DHS or the Department).

To improve health through leadership, service and education

FISCAL IMPACT/FINANCING:

The total maximum obligation for the amendment to the Agreement with Rad-Image, effective May 17, 2007 through May 16, 2008, is \$570,140, consisting of \$175,140 for MLK-Harbor, \$345,000 for Harbor, and \$50,000 for OVMC.



The maximum obligation for the month-to-month extension, effective May 17, 2008 through November 16, 2008, is \$285,070, consisting of \$87,570 for MLK-Harbor, \$172,500 for Harbor and \$25,000 for OVMC.

Funding is included in the Department's Fiscal Year (FY) 2006-07 Final Budget, the FY 2007-08 Proposed Budget, and will be requested in FY 2008-09 as needed.

www.ladhs.org

The Honorable Board of Supervisors May 8, 2007 Page 2

Payments to the contractor are based on a per-image read basis, with an additional flat rate fee per shift, a shift being from 7:00 p.m. to 7:00 a.m. (Attachment B).

The hours of coverage for Harbor and MLK-Harbor have been extended to 24 hours for weekends and holidays, however because the annual maximum obligation for MLK-Harbor was reduced by \$804,860 from the previous year, this expansion of the hours of coverage does not result in an increase to the contract costs for MLK-Harbor or Harbor.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

The Department has experienced difficulty with the recruitment and retention of qualified physician radiologists. This shortage of qualified radiologists results in inadequate coverage particularly during the evening hours.

On March 4, 2005, in an effort to address these critical staffing shortages, the Department processed an emergency purchase order to acquire the services of Rad-Image, Inc. to provide temporary teleradiology services during evening and night hours. However, the term and funding allowed under the purchase order only provided coverage through March 31, 2005.

On May 17, 2005, your Board approved a sole source agreement with Rad-Image to provide temporary teleradiology services. The services provided under this teleradiology agreement were during the hours of 11:00 p.m. to 7:00 a.m. and were referred to as "Nighthawk". Nighthawk services are performed off-site where a radiologist receives images forwarded electronically from the DHS facilities.

On April 4, 2006, your Board approved Amendment No. 1, which extended the contract term through May 16, 2007, modified the shift to provide coverage between the hours of 7:00 p.m. to 7:00 a.m. and delegated authority to the Department to add additional facilities.

The recommended approval of this Amendment will continue the provision of teleradiology services to MLK-Harbor and Harbor, modify the hours of coverage to 24 hours for weekends and holidays, expand the provision of services to OVMC and extend the contract term effective May 17, 2007 through May 16, 2008 with an additional month-to-month extension through November 16, 2008. The staffing issues by facility are as follows:

MLK-Harbor

Maintaining sufficient staff continues to be a concern for MLK-Harbor. This recruitment problem became increasingly more difficult when the Accreditation Council on Graduate Medical Education removed the accreditation for their radiology resident training program, resulting in the loss of supplemental coverage provided by medical residents. Subsequently, staffing levels were reduced even further by the departures of additional radiologists.

MLK-Harbor performs approximately 26,000 studies annually which is an estimated 2,167 studies per month, which includes the expanded provision of 24 hour coverage for weekends and holidays, and additional radiologists are needed to address this volume of work. The extended provision of services provided by Rad-Image is necessary to maintain the staffing levels required to provide services to the

The Honorable Board of Supervisors May 8, 2007 Page 3

patients served by MLK-Harbor. The hours of coverage for MLK-Harbor will be extended to include 24 hour coverage for weekends and holidays.

Harbor

The continued provision of temporary teleradiology services to Harbor is necessary because there are existing staff shortages that also impact the delivery of services for this facility. It is difficult to recruit qualified physicians to provide comprehensive coverage on a 24-hour basis, especially during the evening and night hours. Harbor performs approximately 168,000 radiological exams annually which is an estimated 14,000 radiological exams per month and approximately 7,200 studies annually. Additional radiologists are needed to address this volume of work. In order to provide the staffing levels necessary for the needs of the service, an extension of the provision of these services is necessary. The hours of coverage for Harbor will be extended to include 24-hour coverage for weekends and holidays.

OVMC

As in the case with the other DHS facilities, OVMC has also experienced a shortage of qualified radiologists to provide comprehensive coverage on a 24-hour basis, especially during the evening and nighttime hours. OVMC performs approximately 1,500 radiological studies annually and additional radiologists are needed to augment the existing staff to address this volume of work. In order to provide the staffing levels necessary for the needs of the service, an extension of the provision of these services is necessary for all of the aforementioned DHS facilities.

The scope of the services to be provided for each DHS facility will consist of teleradiology services provided during the hours of 7:00 p.m. to 7:00 a.m., seven days a week, including holidays. For the facilities of Harbor and MLK-Harbor, the hours of coverage will be expanded to 24-hours during weekends and holidays, but will not result in an increase to the contract costs from the prior contract year. The services will be provided off-site where a radiologist will receive images forwarded electronically from the facility. Upon receipt, the radiologist will review the images, prepare preliminary reports, send the preliminary reports to the facility and provide consultations by telephone, as necessary.

The Agreement with Rad-Image will continue to include the standard provisions which were modified during negotiations with the Contractor and the recommendations from County Counsel. The major modifications include providing Rad-Image with mutual indemnification, an elimination of the County's ability to buy insurance in the event the Contractor fails to maintain required insurance coverage, and a limitation on damages if the Contractor fails to comply with indemnification or insurance requirements.

DHS has made a determination that the services are of a professional nature and are required on a temporary basis. These services will be utilized for Nighthawk teleradiology services for which County employees and County re-employment list personnel are not available.

Under the termination provisions of this Agreement, either party may terminate the Agreement with a 30-day advance written notice to the other party.

Attachments A and B provide additional information.

County Counsel has reviewed and approved Exhibit I, as to use and form.

The Honorable Board of Supervisors May 8, 2007 Page 4

CONTRACTING PROCESS:

On May 17, 2005, the Board approved a sole source agreement with Rad-Image for the provision of temporary teleradiology services to King/Drew. The critical emergency that existed did not allow the opportunity for the Department to complete and release an open competitive solicitation for the provision of these services.

The Department has prepared the initial draft of a Request for Qualifications (RFQ), however, the document requires additional information, modifications, reviews and approvals before it can be released. The RFQ will be utilized to provide a resource list of qualified and available candidates with California licenses that can be utilized to address the staffing shortages, as needed, in DHS. The RFQ will be advertised on the Office of Small Business Countywide Web Site.

The Department has determined that these services do not fall under the Proposition A guidelines and because they are professional and temporary and therefore are not subject to the Living Wage Ordinance.

<u>IMPACT ON CURRENT SERVICES (OR PROJECT):</u>

Board approval of the recommended Amendment will ensure the continued provision of temporary teleradiology support to these DHS facilities, as needed.

When approved, this Department requires three signed copies of the Board's action.

Respectfully submitted,

Bruce A. Chernof, M.D.

Director and Chief Medical Officer

BAC:ks

BLRadImageAmend22007.wpd

Attachments (3)

c: Chief Administrative Officer

County Counsel

Executive Officer, Board of Supervisors

SUMMARY OF AMENDMENTS

1. TYPE OF SERVICE/PROJECT:

Temporary teleradiology services.

2. AGENCY ADDRESS AND CONTACT PERSON:

Rad-Image Medical Group, Inc. 100 Oceangate, Suite 1000 Long Beach, California 90802

Attention: Jagdish M. Patel M.D., President

Telephone: (562) 590-7408

3. <u>TERM</u>:

Amendment: May 17, 2007 through May 16, 2008.

Month-to-Month: May 17, 2008 through November 16, 2008.

4. FINANCIAL INFORMATION:

The total maximum obligation for the amendment to the Agreement with Rad-Image, effective May 17, 2007 through May 16, 2008, is \$570,140, consisting of \$175,140 for MLK-Harbor, \$345,000 for Harbor and \$50,000 for OVMC. The maximum obligation for the month-to-month extension, effective May 17, 2008 through November 16, 2008, is \$285,070, consisting of \$87,570 for MLK-Harbor, \$172,500 for Harbor and \$25,000 for OVMC. Funding is included in the Department's Fiscal Year (FY) 2006-07 Final Budget, the FY 2007-08 Proposed Budget, and will be requested in FY 2008-09 as needed.

5. GEOGRAPHIC AREA TO BE SERVED:

Second and Fifth Supervisorial Districts.

6. ACCOUNTABLE FOR MONITORING AND EVALUATION:

Administrators and Medical Directors at MLK-Harbor, Harbor and OVMC.

7. APPROVALS:

Martin Luther King, Jr.-Harbor Hospital: Antoinette Smith-Epps, CEO

Harbor-UCLA Medical Center: Miguel Ortiz-Marroquin, Acting CEO

Olive View-UCLA Medical Center: Gretchen McGinley, Acting CEO

Contract and Grants: Cara O'Neill, Chief

County Counsel (review): Sharon A. Reichman, Principal, Deputy County Counsel

SPECIALTY MEDICAL SERVICES AND TEMPORARY MEDICAL PERSONNEL SERVICES AGREEMENT

MAXIMUM RATES BY AGREEMENT

- Coverage:

A fixed fee in the amount of One Hundred Fifty Dollars (\$150) for each

Shift.

- Professional Services:

A fee for each Study*, determined on a monthly basis, as follows:

- (i) \$40 per Study, up to a total of 200 Studies, during a calendar month (Studies Numbers 1-200/calendar month);
- (ii) \$36 per Study, for any Study during a calendar month after the first 200 Studies in the same calendar month (Studies Numbers 201-400/calendar month);
- (iii) \$34 per Study, for any Study during a calendar month after the first 400 Studies in the same calendar month (Studies Numbers 401-600/calendar month);

For example, the compensation described in this section payable to Contractor for a calendar month in which there are 450 Studies shall be \$16,900, calculated as follows:

- (i) Studies Nos. 1-200 @ \$40 (200 Studies \times \$40 = \$8,000):
- (ii) Studies Nos. 201-400 @ \$36 (200 Studies x \$36 = 7,200); and
- (iii) Studies Nos. 401-450 @ \$34 (50 Studies x \$34 = \$1,700).

Total compensation includes the Coverage Fee <u>plus</u> the Professional Services Fee.

*"Study" is defined as a procedure that is described under a particular procedural code under the thenapplicable Current Procedure Terminology (CPT) of the American Medical Association, consistent with generally accepted billing practices (whether or not a particular payer in any particular case actually pays the bill for such procedure). For example, if two (2) CPT codes are utilized, consistent with generally accepted billing practices, to describe the professional services furnished under this Agreement, there would be fees for two (2) Studies under this agreement.

BLTCD.KS 04/11/07

SPECIALTY AND TEMPORARY TELERADIOLOGY SERVICES AGREEMENT

Amendment No. 2

	THIS AMENDMENT is made	and entered into this day
of _		
	by and between	COUNTY OF LOS ANGELES (hereafter "County")
	and	RAD-IMAGE MEDICAL GROUP, INC. (hereafter "Contractor")

WHEREAS, reference is made to that certain document entitled "SPECIALTY AND TEMPORARY TELERADIOLOGY SERVICES AGREEMENT" dated May 17, 2005 and further identified as County Agreement Number H-701025, and any Amendments thereto (all hereafter referred to as "Agreement");

WHEREAS, it is the intent of the parties hereto to extend Agreement and provide other changes set forth herein; and

WHEREAS, said Agreement provides that changes may be made in the form of a written Amendment which is formally approved and executed by the parties.

NOW, THEREFORE, the parties hereto agree as follows:

- 1. This Amendment shall become effective May 17, 2007.
- 2. Paragraph 1, <u>TERM AND TERMINATION</u> of the body of this Agreement shall be amended to read as follows:
 - "1. TERM AND TERMINATION: The term of this Agreement

shall commence upon Board approval, and shall continue in full force and effect to and including May 16, 2008, 7:00 a.m. Pacific Time. The term of this Agreement may be extended by Director beyond the stated expiration date on a month-to-month basis, for a period of time not to exceed six months through November 16, 2008, upon mutual agreement of the parties. Except as otherwise set forth below, this Agreement may be terminated at any time by the County or the Contractor, with or without cause, upon the giving of at least thirty (30) calendar days' advance written notice thereof to the other.

County may terminate this Agreement immediately if

Contractor, or any of its officers, employees, or agents,

including any one or more of its physician affiliates, fail

to comply with the terms of this Agreement, or fail to carry

out any directions within a reasonable lead-in time, by or

on behalf of County issued pursuant hereto.

County may also terminate this Agreement immediately if Contractor, its officers, employees or agents, including its physician affiliates, engage in, or if County has reasonable justification to believe that Contractor, or such employees, or agents, including Contractor's physician affiliates, may be engaging in a course of conduct which poses an imminent danger to the life or health of County patients.

County's failure to exercise this right of termination shall not constitute waiver of such right, and the same may be exercised at any subsequent time.

Immediate termination hereunder shall be effected by delivery to Contractor of a written "Notice of Immediate Termination" which shall be effective upon Contractor's receipt of such "Notice of Immediate Termination."

3. Paragraph 3, <u>DESCRIPTION OF SERVICES</u>, of the body of the Agreement shall be amended to read as follows:

"3. <u>DESCRIPTION OF SERVICES</u>:

A. Contractor shall, upon the written request of Director or Administrator, arrange for the provision of the specialty medical services described in Exhibits A-2, C-1, and E, attached hereto and incorporated herein by reference.

B. <u>Maximum Obligation of County</u>

- 1. During the period effective date of
 Board approval through May 17, 2007, the maximum
 obligation of County for all services provided
 hereunder shall not exceed One Million, Three
 Hundred Twenty Five Thousand Dollars (\$1,325,000).
- 2. During the period effective May 17, 2007 through May 16, 2008, the maximum obligation of

County for all services provided hereunder shall not exceed Five Hundred Seventy Thousand, On Hundred Forty Dollars (\$570,140).

- 3. During the month-to-month period effective May 17, 2008 through November 16, 2008, the maximum obligation of County for services provided hereunder shall not exceed Two Hundred Eighty Five Thousand, Seventy Dollars (\$285,070)."
- 4. Paragraph 4, <u>BILLING AND PAYMENT</u>, of the body of the Agreement shall be amended to read as follows:
 - "4. <u>BILLING AND PAYMENT</u>: All billings by Contractor for services provided pursuant to this Agreement shall be in accordance with the terms, conditions, and rates set forth in Exhibits B-2, D-1, and F, attached hereto and incorporated herein by reference.

Each County Medical Facility is required to maintain patient and other records for physicians providing services at the Medical Facility, including those for Contractor and Contractor's referred physician affiliate(s) (collectively hereafter "Contractor"). Such records may include, but are not limited to: Physician Time Allocation Survey, Professional Services Assignment Agreement, and a Medicare

Penalty Statement. Contractor shall fully cooperate with Medical Facility in completing such records whenever requested by Administrator to do so."

- 5. Paragraph 5, <u>NONEXCLUSIVITY</u>, of the body of the Agreement shall be amended to read as follows:
 - "5. NONEXCLUSIVITY: Contractor acknowledges that it is not the exclusive provider of the services to be provided to County under this Agreement, and that County has, or intends to enter into, contracts with other providers of said services for the provision of County thereof. County promises, however, to use its best efforts to utilize Contractor for some services during the Agreement term.

 Contractor agrees to provide County during the term of this Agreement with the services in Exhibits A-2, C-1, and E as County may require of Contractor from time to time."
- 6. Exhibit A-1, DESCRIPTION OF SERVICES SPECIALTY AND TEMPORARY TELERADIOLOGY SERVICES MARTIN LUTHER KING, JR./DREW MEDICAL CENTER, shall be deleted in its entirety and shall be replaced with Exhibit A-2, DESCRIPTION OF SERVICES SPECIALTY AND TEMPORARY TELERADIOLOGY SERVICES MARTIN LUTHER KING, JR./HARBOR HOSPITAL, attached hereto and incorporated herein by reference.
- 7. Exhibit B-1, BILLING, PAYMENT, AND SCHEDULE OF RATES, to this Agreement shall be deleted in its entirety and shall be replaced with Exhibit B-2, BILLING, PAYMENT, AND SCHEDULE OF

RATES MARTIN LUTHER KING, JR./HARBOR HOSPITAL, attached hereto and incorporated herein by reference.

- 8. Exhibit C, DESCRIPTION OF SERVICES SPECIALTY AND TEMPORARY TELERADIOLOGY SERVICES HARBOR-UCLA MEDICAL CENTER, shall be deleted in its entirety and shall be replaced with Exhibit C-1, DESCRIPTION OF SERVICES SPECIALTY AND TEMPORARY TELERADIOLOGY SERVICES TO HARBOR-UCLA MEDICAL CENTER, attached hereto and incorporated herein by reference.
- 9. Exhibit D, BILLING, PAYMENT, AND SCHEDULE OF RATES, to this Agreement shall be deleted in its entirety and shall be replaced with Exhibit D-1, BILLING, PAYMENT, AND SCHEDULE OF RATES HARBOR-UCLA MEDICAL CENTER, attached hereto and incorporated herein by reference.
- 10. Exhibit E, DESCRIPTION OF SERVICES SPECIALTY AND TEMPORARY TELERADIOLOGY SERVICES OLIVE VIEW-UCLA MEDICAL CENTER, is attached to this Amendment and incorporated into Agreement by reference.
- 11 Exhibit F, BILLING, PAYMENT, AND SCHEDULE OF RATES
 OLIVE VIEW-UCLA MEDICAL CENTER, is attached to this Amendment and incorporated into Agreement by reference.
- 12. Except for the changes set forth hereinabove, Agreement shall not be changed in any other respect by this Amendment.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Agreement to be subscribed by its

/

/

/

/

/

/

'

/

/

/

/

/

/

/

/

/

/

. /

/

Director of Health Services, and Contractor has caused this

Amendment to be subscribed in its behalf by its duly authorized officer, the day, month and year first above written.

COUNTY OF LOS ANGELES

	Ву
	Bruce A. Chernof, M.D.
	Director and Chief Medical Officer
	RAD-IMAGE MEDICAL GROUP, INC.
	Contractor
APPROVED AS TO FORM	
BY THE OFFICE OF THE COUNTY COUNSEL	D.,
COUNTY COUNTED	BySignature
	Signature
Deputy County Counsel	
	Printed Name
	Title
	(AFFIX CORPORATE SEAL HERE)
	,
APPROVED AS TO CONTRACT	
ADMINISTRATION:	
70	
ByCara O'Neill	
Chief, Contracts and Grants	
onition, contracts and Grants	

ks:04/23/07

RAD.OVMC/HDHS.AMEND2CD.KS

EXHIBIT A-2

DESCRIPTION OF SERVICES

SPECIALTY AND TEMPORARY TELERADIOLOGY SERVICES TO MARTIN LUTHER KING, JR./HARBOR HOSPITAL

SERVICES TO BE PROVIDED: Contractor shall provide or 1. arrange for the provision of Teleradiology Services (as hereinafter defined), in accordance with the terms and subject to the conditions set forth in this Agreement. For purposes of this Agreement, "Teleradiology Services" means the Professional Services and Coverage described in Section 2 (A) of this Agreement and defined as a radiologic professional interpretation of radiographic studies performed at a remote site with images transmitted electronically. "Service Site" is defined as a place at which radiologic procedures are performed and images obtained. One of the Service Sites for this Agreement is located at Martin Luther King, Jr./Harbor Hospital, 12021 South Wilmington Avenue, Los Angeles, California, 90059, a Medical Facility. "Reading Site" is defined as a place at which radiologic images are interpreted.

Contractor's obligations are limited to the specific obligations described in this Agreement, and Contractor has no additional responsibilities in connection with the provision of radiology or other imaging services or the operation of the radiology department(s) at or for the Medical Facility. The

obligations of Contractor shall not include overall physician responsibility for the Medical Facility's radiological service under state licensing laws and regulations or under any hospital accreditation standards or requirements, and Medical Facility acknowledges that it is looking to Medical Facility Radiologists to exercise and fulfill such physician responsibility.

2. <u>CONTRACTOR RESPONSIBILITIES:</u>

- A. <u>Professional Services</u>: Contractor shall provide or arrange for the provision of the following services (collectively, the "Professional Services"), to be provided by one or more physician employees or independent contractors (each, a "Reader") of Contractor during the Hours of Coverage described in Section 2 (F) of this Exhibit:
 - (1) Review of the images (sometimes referred to as "studies") received at a Reading Site from the Service Site;
 - ("Preliminary Report"), consisting of the Reader's typed or handwritten notations on the patient information sheet (or other form as specified by Contractor) transmitted electronically to Contractor's designated website or by facsimile from a Service Site

to a Reading Site (commonly referred to as a "wet read"), and/or such other information in such form as may be required under this Agreement;

- (3) Transmittal of the Preliminary Report to the Service Site by one or more of the methods described in Section 2; and
- (4) Telephone consultation by the Reader with a physician, physician designee, or nurse at the Service Site, to the extent that the patient's condition requires such consultation, and the consultation has been requested from the Service Site prior to or immediately following transmission or identification by the Reader that there exists on the image a condition/result needing immediate attention and/or requiring clarification.
- B. Mammography studies shall not be included within the scope of this Agreement unless and until the American College of Radiology and the United States Food and Drug Administration adopt acceptable digital transmission standards at which mammography studies may be transmitted and interpreted by teleradiology, and the parties have amended this Agreement to provide for such inclusion.

- C. The Professional Services shall be provided for the Service Site during the "Hours of Coverage" upon request from authorized physicians or other personnel at the Service Site.
- D. The Preliminary Report is intended to provide diagnostic information for immediate acute patient care and triage. The Preliminary Report is not intended to comment upon any findings that do not impact immediate acute patient care and triage. Medical Facility shall arrange for its Radiologists to review the image(s) within twenty-four (24) hours of receipt of the Preliminary Report at the Service Site for purposes of corroborating Contractor's Preliminary Report findings, evaluating and diagnosing additional findings, if any, and preparing the final report.
- E. <u>Business License</u>: Contractor shall provide evidence that it has, for a minimum of three (3) years, been in business as a provider of teleradiology services described in this Agreement. Prior to the execution of this Agreement, Contractor shall provide the Department of Health Services, Contracts and Grants Division, with a copy of its current business license(s) and appropriate Employer Identification Number.

- F. Hours of Coverage: Contractor shall arrange for a Reader or Readers to be available at a Reading Site ("Coverage") to perform Professional Services during the hours of 7:00 p.m. to 7:00 a.m. Pacific Standard Time, Monday through Friday each week, and 24-hour coverage, Saturday through Sunday each weekend and holidays.
 - G. <u>Qualifications of Readers</u>: Each Reader shall;
 - (a) possess the necessary license(s) to perform
 the professional services required under this
 Agreement;
 - (b) maintain medical staff privileges at the Service Site(s), if required by the Service Site hospital(s); and
 - (c) be Board Certified in Radiology.
- 3. <u>PERFORMANCE REQUIREMENTS</u>: The services provided by the Readers hereunder shall satisfy the following performance requirements:
 - A. Preliminary results shall be communicated to the Medical Facility Service Site by one or more of the following methods: (i) electronic Internet transmission, in which case the Preliminary Report is available to the

Service Site by logging onto Contractor's secure website;

(iii) by facsimile transmission to the Service Site; (iii) by voice telephone call followed by electronic Internet transmission or by facsimile transmission as described in

(i) or (ii) (such follow-up transmission of the Preliminary Report shall be made within one and one half (1½) hours after transmission of the Preliminary Report by voice telephone call); or (iv) by other means agreed to by the parties or as otherwise specified in this Agreement. The Reader shall communicate by voice any results that need immediate attention.

B. Contractor shall require the Readers to use their reasonable best efforts to communicate preliminary results within thirty (30) minutes following receipt of the complete imaging file and all pertinent patient information; provided, however, that Contractor shall not be considered to be in breach of this provision to the extent that additional time is reasonably required in the interest of quality of care, so long as the Reader communicates such results as promptly as practicable in the circumstances. The foregoing shall not be construed to be a guarantee that

preliminary results will be communicated within such time frame in all'cases.

- C. Contractor shall not be responsible for delays caused by insufficient patient information, receipt of incomplete or inadequate images at a Reading Site, or facsimile or Internet reception failure at a Service Site.

 Each of the parties shall work cooperatively to achieve the aforementioned report turnaround goals.
- 4. <u>EQUIPMENT AND SUPPLIES</u>: Contractor, at no cost to Medical Facility, shall provide or arrange for the provision of the following items and services (collectively, the "Equipment and Supplies"):
 - A. Computer hardware selected by Contractor, to be utilized at the Reading Site(s);
 - B. Computer software selected by Contractor, to be utilized at the Reading Site(s);
 - C. Installation of software at the Reading Site(s), and training of personnel utilizing computer hardware and software at the Reading Site(s);
 - D. Facsimile, telephone, and other telecommunications equipment to be utilized at the Reading Site(s); and
 - E. Any supplies, services, maintenance, repairs, and ${\rm EXH} \ {\rm A-2} \ -7$

upgrades reasonably required at the Reading Site(s) in connection with the foregoing.

F. Elements to be Provided by Medical Facility

- 1. <u>Equipment, Software, and Supplies</u>: Medical Facility shall provide or arrange for the following items, at no cost to Contractor:
 - (a) RadWorks Gateway Module (or other image compressor, subject to Contractor's prior approval), to be utilized at the Service Site;
 - (b) CISCO network hardware and software, to be utilized at the Service Site;
 - (c) Installation of software at the Service Site, and training of personnel utilizing computer hardware and software at the Service Site;
 - (d) High-speed communication lines and
 Internet Provider Service from the Service
 Site(s);
 - (e) Facsimile, telephone, and other telecommunications equipment to be utilized at the Service Site; and
 - (f) Any supplies, services, maintenance, repairs, and upgrades reasonably required at the

Service Site in connection with the foregoing.

- 2. Functioning and Compatibility of Equipment and Software: Medical Facility shall cause all of the equipment and software referenced in Section F hereof to be fully functional and fully compatible with Contractor's equipment and/or software at all times from and after the start of services throughout the term hereof, subject to reasonable periods of short duration during which maintenance, repair, upgrade, or replacement may be required.
- 5. <u>PERSONNEL</u>: Medical Facility shall employ or cause to be employed at the Service Site(s) certified radiological technologists to properly transmit images to the Reading Site(s).
- 6. <u>COMMUNICATION OF STUDY INTERPRETATIONS</u>: Medical Facility shall take such actions as may be necessary, including provision of sufficient resources at the Service Site, to ensure the immediate communication to the referring physician and/or other appropriate physician(s) of all interpretations of studies performed by the Readers and communicated to a Service Site.
- 7. MAINTENANCE OF FILMS AND PATIENT RECORDS: Medical Facility shall maintain all radiographic films and related

patient records pertaining to studies interpreted by the Readers in accordance with applicable federal and state laws and shall discharge any obligation that Contractor and/or the Readers may have under such laws with respect to such films and records, including but not limited to the preservation of confidentiality at the Service Site(s). Upon request by Contractor, for reasonable business purposes, including patient treatment or in connection with a professional liability claim, Medical Facility shall transmit electronic copies to Contractor and provide access to such films and records by the requesting party or its authorized agent, including the right to make copies thereof at the expense of the requesting party.

8. ADDITIONAL OBLIGATIONS OF MEDICAL FACILITY:

- A. Medical Facility shall notify Contractor of the telephone and facsimile numbers and contact person at each Service Site prior to the Commencement Date.
- B. In the event Medical Facility or its agent or representative at a Service Site experiences difficulty in transmitting an image to a Reading Site, Medical Facility or its agent or other representative shall notify Contractor of such difficulty by telephone immediately.

- C. Medical Facility shall cooperate with Contractor in the delivery of the services to be provided hereunder, including providing reasonable assistance to Readers seeking medical staff privileges at the Service Site.
- D. Medical Facility shall be responsible for obtaining or for causing the physician requesting the Professional Services at the Service Site to obtain any necessary informed consents from patients relating to the provision of Teleradiology Services.
- E. Medical Facility shall cause County on-site

 Radiologists to perform image review in connection with its

 preparation of the final report, in accordance with Section

 2.(D).
- F. Medical Facility shall cause County Radiologists to perform image review in the event that Contractor is unable to receive readable images and/or sufficient patient information from the Service Site during the Hours of Coverage for reason of failure of equipment as referenced in Paragraphs 4. F. 1. and 2., above.
- G. Medical Facility shall cause County Radiologists to exercise overall responsibility for Medical Facility's

radiological service at each Service Site to the extent that such responsibility is required to be exercised by a physician or physician group under state licensing laws and regulations or under any applicable hospital accreditation standards or requirements.

ks:04/11/07

RAD.MLK.AMEND2CD.KS

EXHIBIT B-2

BILLING, PAYMENT, AND SCHEDULE OF RATES MARTIN LUTHER KING, JR./HARBOR HOSPITAL

1. <u>BILLING AND PAYMENT</u>: Contractor shall bill County in arrears, in accordance with the terms, conditions, and rates set forth below. All billings shall clearly reflect and provide reasonable detail of the services for which claim is made, including, but not limited to, type of services (procedures) provided, name of the physician affiliate who provided services, date, and hours worked, the authorized rate, and any other charges or credits, as set forth in this Agreement.

Billings shall be made and forwarded to the appropriate Medical Facility to the attention of the Expenditure Management Division promptly at the end of each month. Upon receipt of a complete and correct billing, County shall pay Contractor within thirty (30) working days. Incorrect and/or discrepant billings, as determined by the Medical Facility, will be returned to Contractor for correction before payment is made.

2. <u>COMPENSATION RATES</u>: County shall compensate Contractor for providing services hereunder in accordance with the schedule of rate(s) listed below:

- (a) Hours of Coverage: A fixed fee in the amount of One Hundred Fifty Dollars (\$150) for each Shift. "Shift" is defined as 7:00 p.m. to 7:00 a.m. Pacific Standard Time, Monday through Friday each week; and 24-hour coverage Saturday through Sunday each weekend, and holidays, and
- (b) <u>Professional Services</u>: A fee for each Study, determined on a monthly basis, as follows:
 - (i) \$40 per Study, up to a total of 200 Studies,
 during a calendar month (Studies Numbers 1-200/calendar
 month);
 - (ii) \$36 per Study, for any Study during a calendar month after the first 200 Studies in the same calendar month (Studies Numbers 201-400/calendar month);
 - (iii) \$34 per Study, for any Study during a calendar month after the first 400 Studies in the same calendar month (Studies Numbers 401-600/calendar month);

For example, the compensation described in Section 2(b) payable by Medical Facility to Contractor hereunder for a calendar month in which there are 450 Studies shall be \$16,900, calculated as follows: (i) Studies Nos. 1-200 @ $$40 (200 \text{ Studies } \times $40 = \$8,000)$; (ii) Studies Nos. 201-

400 @ \$36 (200 Studies x \$36 = \$7,200); and (iii) Studies Nos. 401-450 @ \$34 (50 Studies x \$34 = \$1,700).

Total compensation shall include Shift Fees (\$150 per shift) and Professional Services Fees.

3. For purposes of this Exhibit B-2, "Study" means a procedure that is described under a particular procedural code under the Current Procedure Terminology (CPT) of the American Medical Association, consistent with generally accepted billing practices (whether or not a particular payer in any particular case actually pays the bill for such procedure). For example, if two (2) CPT codes are utilized, consistent with generally accepted billing practices, to describe the professional services furnished under this Agreement, there would be a fee for two (2) Studies under this Agreement.

ks:04/23/07

RAD.MLK.AMEND2CD.KS

EXHIBIT C-1

DESCRIPTION OF SERVICES

SPECIALTY AND TEMPORARY TELERADIOLOGY SERVICES TO HARBOR-UCLA MEDICAL CENTER

1. SERVICES TO BE PROVIDED: Contractor shall provide or arrange for the provision of Teleradiology Services (as hereinafter defined), in accordance with the terms and subject to the conditions set forth in this Agreement. For purposes of this Agreement, "Teleradiology Services" means the Professional Services and Coverage described in Section 2 (A) of this Agreement and defined as a radiologic professional interpretation of radiographic studies performed at a remote site with images transmitted electronically. "Service Site" is defined as a place at which radiologic procedures are performed and images obtained. One of the Service Sites for this Agreement is located at Harbor-UCLA Medical Center (Harbor), 1000 West Carson Street, Torrance, California, 90509, a Medical Facility. "Reading Site" is defined as a place at which radiologic images are interpreted.

Contractor's obligations are limited to the specific obligations described in this Agreement, and Contractor has no additional responsibilities in connection with the provision of radiology or other imaging services or the operation of the radiology department(s) at or for the Medical Facility. The

obligations of Contractor shall not include overall physician responsibility for the Medical Facility's radiological service under state licensing laws and regulations or under any hospital accreditation standards or requirements, and Medical Facility acknowledges that it is looking to Medical Facility Radiologists to exercise and fulfill such physician responsibility.

2. <u>CONTRACTOR RESPONSIBILITIES</u>:

- A. <u>Professional Services</u>: Contractor shall provide or arrange for the provision of the following services (collectively, the "Professional Services"), to be provided by one or more physician employees or independent contractors (each, a "Reader") of Contractor during the Hours of Coverage described in Section 2 (F) of this Exhibit:
 - (1) Review of the images (sometimes referred to
 as "studies") received at a Reading Site from the
 Service Site;
 - ("Preliminary Report"), consisting of the Reader's typed or handwritten notations on the patient information sheet (or other form as specified by Contractor) transmitted electronically to Contractor's

designated website or by facsimile from a Service Site to a Reading Site (commonly referred to as a "wet read"), and/or such other information in such form as may be required under this Agreement;

- (3) Transmittal of the Preliminary Report to the Service Site by one or more of the methods described in Section 2; and
- (4) Telephone consultation by the Reader with a physician, physician designee, or nurse at the Service Site, to the extent that the patient's condition requires such consultation, and the consultation has been requested from the Service Site prior to or immediately following transmission or identification by the Reader that there exists on the image a condition/result needing immediate attention and/or requiring clarification.
- B. Mammography studies shall not be included within the scope of this Agreement unless and until the American College of Radiology and the United States Food and Drug Administration adopt acceptable digital transmission standards at which mammography studies may be transmitted

and interpreted by teleradiology, and the parties have amended this Agreement to provide for such inclusion.

- C. The Professional Services shall be provided for the Service Site during the "Hours of Coverage" upon request from authorized physicians or other personnel at the Service Site.
- D. The Preliminary Report is intended to provide diagnostic information for immediate acute patient care and triage. The Preliminary Report is not intended to comment upon any findings that do not impact immediate acute patient care and triage. Medical Facility shall arrange for its Radiologists to review the image(s) within twenty-four (24) hours of receipt of the Preliminary Report at the Service Site for purposes of corroborating Contractor's Preliminary Report findings, evaluating and diagnosing additional findings, if any, and preparing the final report.
- E. <u>Business License</u>: Contractor shall provide evidence that it has, for a minimum of three (3) years, been in business as a provider of teleradiology services described in this Agreement. Prior to the execution of this Agreement, Contractor shall provide the Department of Health Services, Contracts and Grants Division, with a copy of its

current business license(s) and appropriate Employer Identification Number.

- F. Hours of Coverage: Contractor shall arrange for a Reader or Readers to be available at a Reading Site ("Coverage") to perform Professional Services during the hours of 7:00 p.m. to 7:00 a.m. Pacific Standard Time, Monday through Friday each week, and 24-hour coverage, Saturday through Sunday each weekend and holidays.
 - G. Qualifications of Readers: Each Reader shall;
 - (a) possess the necessary license(s) to perform
 the professional services required under this
 Agreement;
 - (b) maintain medical staff privileges at the Service Site(s), if required by the Service Site hospital(s); and
 - (c) be Board Certified in Radiology.
- 3. <u>PERFORMANCE REQUIREMENTS</u>: The services provided by the Readers hereunder shall satisfy the following performance requirements:
 - A. Preliminary results shall be communicated to the Medical Facility Service Site by one or more of the following methods: (i) electronic Internet transmission, in

which case the Preliminary Report is available to the Service Site'by logging onto Contractor's secure website; (ii) by facsimile transmission to the Service Site; (iii) by voice telephone call followed by electronic Internet transmission or by facsimile transmission as described in (i) or (ii) (such follow-up transmission of the Preliminary Report shall be made within one and one half (1½) hours after transmission of the Preliminary Report by voice telephone call); or (iv) by other means agreed to by the parties or as otherwise specified in this Agreement. The Reader shall communicate by voice any results that need immediate attention.

B. Contractor shall require the Readers to use their reasonable best efforts to communicate preliminary results within thirty (30) minutes following receipt of the complete imaging file and all pertinent patient information; provided, however, that Contractor shall not be considered to be in breach of this provision to the extent that additional time is reasonably required in the interest of quality of care, so long as the Reader communicates such results as promptly as practicable in the circumstances.

The foregoing shall not be construed to be a guarantee that preliminary results will be communicated within such time frame in all cases.

- C. Contractor shall not be responsible for delays caused by insufficient patient information, receipt of incomplete or inadequate images at a Reading Site, or facsimile or Internet reception failure at a Service Site. Each of the parties shall work cooperatively to achieve the aforementioned report turnaround goals.
- 4. <u>EQUIPMENT AND SUPPLIES</u>: Contractor, at no cost to Medical Facility, shall provide or arrange for the provision of the following items and services (collectively, the "Equipment and Supplies"):
 - A. Computer hardware selected by Contractor, to be utilized at the Reading Site(s);
 - B. Computer software selected by Contractor, to be utilized at the Reading Site(s);
 - C. Installation of software at the Reading Site(s), and training of personnel utilizing computer hardware and software at the Reading Site(s);
 - D. Facsimile, telephone, and other telecommunications equipment to be utilized at the Reading Site(s); and

E. Any supplies, services, maintenance, repairs, and upgrades reasonably required at the Reading Site(s) in connection with the foregoing.

F. Elements to be Provided by Medical Facility

- 1. <u>Equipment, Software, and Supplies</u>: Medical Facility shall provide or arrange for the following items, at no cost to Contractor:
 - (a) RadWorks Gateway Module (or other image compressor, subject to Contractor's prior approval), to be utilized at the Service Site;
 - (b) CISCO network hardware and software, to be utilized at the Service Site;
 - (c) Installation of software at the Service Site, and training of personnel utilizing computer hardware and software at the Service Site;
 - (d) High-speed communication lines and Internet Provider Service from the Service Site(s);
 - (e) Facsimile, telephone, and other telecommunications equipment to be utilized at the Service Site; and

- (f) Any supplies, services, maintenance, repairs, and upgrades reasonably required at the Service Site in connection with the foregoing.
- 2. Functioning and Compatibility of Equipment and Software: Medical Facility shall cause all of the equipment and software referenced in Section F hereof to be fully functional and fully compatible with Contractor's equipment and/or software at all times from and after the start of services throughout the term hereof, subject to reasonable periods of short duration during which maintenance, repair, upgrade, or replacement may be required.
- 5. <u>PERSONNEL</u>: Medical Facility shall employ or cause to be employed at the Service Site(s) certified radiological technologists to properly transmit images to the Reading Site(s).
- 6. <u>COMMUNICATION OF STUDY INTERPRETATIONS</u>: Medical Facility shall take such actions as may be necessary, including provision of sufficient resources at the Service Site, to ensure the immediate communication to the referring physician and/or other appropriate physician(s) of all interpretations of studies performed by the Readers and communicated to a Service Site.

7. MAINTENANCE OF FILMS AND PATIENT RECORDS: Medical Facility shall maintain all radiographic films and related patient records pertaining to studies interpreted by the Readers in accordance with applicable federal and state laws and shall discharge any obligation that Contractor and/or the Readers may have under such laws with respect to such films and records, including but not limited to the preservation of confidentiality at the Service Site(s). Upon request by Contractor, for reasonable business purposes, including patient treatment or in connection with a professional liability claim, Medical Facility shall transmit electronic copies to Contractor and provide access to such films and records by the requesting party or its authorized agent, including the right to make copies thereof at the expense of the requesting party.

8. ADDITIONAL OBLIGATIONS OF MEDICAL FACILITY:

- A. Medical Facility shall notify Contractor of the telephone and facsimile numbers and contact person at each Service Site prior to the Commencement Date.
- B. In the event Medical Facility or its agent or representative at a Service Site experiences difficulty in transmitting an image to a Reading Site, Medical Facility or

its agent or other representative shall notify Contractor of such difficulty by telephone immediately.

- C. Medical Facility shall cooperate with Contractor in the delivery of the services to be provided hereunder, including providing reasonable assistance to Readers seeking medical staff privileges at the Service Site.
- D. Medical Facility shall be responsible for obtaining or for causing the physician requesting the Professional Services at the Service Site to obtain any necessary informed consents from patients relating to the provision of Teleradiology Services.
- E. Medical Facility shall cause County on-site

 Radiologists to perform image review in connection with its

 preparation of the final report, in accordance with Section

 2.(D).
- F. Medical Facility shall cause County Radiologists to perform image review in the event that Contractor is unable to receive readable images and/or sufficient patient information from the Service Site during the Hours of Coverage for reason of failure of equipment as referenced in Paragraphs 4. F. 1. and 2., above.

G. Medical Facility shall cause County Radiologists to exercise overall responsibility for Medical Facility's radiological service at each Service Site to the extent that such responsibility is required to be exercised by a physician or physician group under state licensing laws and regulations or under any applicable hospital accreditation standards or requirements.

ks:04/23/07

RAD. HARB. AMEND2CD. KS

EXHIBIT D-1

BILLING, PAYMENT, AND SCHEDULE OF RATES HARBOR-UCLA MEDICAL CENTER

1. <u>BILLING AND PAYMENT</u>: Contractor shall bill County in arrears, in accordance with the terms, conditions, and rates set forth below. All billings shall clearly reflect and provide reasonable detail of the services for which claim is made, including, but not limited to, type of services (procedures) provided, name of the physician affiliate who provided services, date, and hours worked, the authorized rate, and any other charges or credits, as set forth in this Agreement.

Billings shall be made and forwarded to the appropriate Medical Facility to the attention of the Expenditure Management Division promptly at the end of each month. Upon receipt of a complete and correct billing, County shall pay Contractor within thirty (30) working days. Incorrect and/or discrepant billings, as determined by the Medical Facility, will be returned to Contractor for correction before payment is made.

- 2. <u>COMPENSATION RATES</u>: County shall compensate Contractor for providing services hereunder in accordance with the schedule of rate(s) listed below:
 - (a) <u>Hours of Coverage</u>: A fixed fee in the amount of One Hundred Fifty Dollars (\$150) for each Shift. "Shift"

is defined as 7:00 p.m. to 7:00 a.m. Pacific Standard Time, Monday through Friday each week and 24-hour coverage, Saturday through Sunday each weekend and holidays, and

- (b) <u>Professional Services</u>: A fee for each Study, determined on a monthly basis, as follows:
 - (i) \$40 per Study, up to a total of 200 Studies,during a calendar month (Studies Numbers 1-200/calendar month);
 - (ii) \$36 per Study, for any Study during a calendar month after the first 200 Studies in the same calendar month (Studies Numbers 201-400/calendar month);
 - (iii) \$34 per Study, for any Study during a calendar month after the first 400 Studies in the same calendar month (Studies Numbers 401-600/calendar month);

For example, the compensation described in Section 2(b) payable by Medical Facility to Contractor hereunder for a calendar month in which there are 450 Studies shall be \$16,900, calculated as follows: (i) Studies Nos. 1-200 @ \$40 (200 Studies \times \$40 = \$8,000); (ii) Studies Nos. 201-400 @ \$36 (200 Studies \times \$36 = \$7,200); and (iii) Studies Nos. 401-450 @ \$34 (50 Studies \times \$34 = \$1,700).

Total compensation shall include Shift Fees (\$150 per shift) and Professional Services Fees.

3. For purposes of this Exhibit D-1, "Study" means a procedure that is described under a particular procedural code under the Current Procedure Terminology (CPT) of the American Medical Association, consistent with generally accepted billing practices (whether or not a particular payer in any particular case actually pays the bill for such procedure). For example, if two (2) CPT codes are utilized, consistent with generally accepted billing practices, to describe the professional services furnished under this Agreement, there would be a fee for two (2) Studies under this Agreement.

ks:04/06/07

RAD. HARB. AMEND2CD. KS

EXHIBIT E

DESCRIPTION OF SERVICES

SPECIALTY AND TEMPORARY TELERADIOLOGY SERVICES TO OLIVE VIEW UCLA MEDICAL CENTER

1. SERVICES TO BE PROVIDED: Contractor shall provide or arrange for the provision of Teleradiology Services (as hereinafter defined), in accordance with the terms and subject to the conditions set forth in this Agreement. For purposes of this Agreement, "Teleradiology Services" means the Professional Services and Coverage described in Section 2 (A) of this Agreement and defined as a radiologic professional interpretation of radiographic studies performed at a remote site with images transmitted electronically. "Service Site" is defined as a place at which radiologic procedures are performed and images obtained. One of the Service Sites for this Agreement is located at Olive View-UCLA Medical Center (OVMC), 14445 Olive View Drive, Sylmar, California, 91342, a Medical Facility. "Reading Site" is defined as a place at which radiologic images are interpreted.

Contractor's obligations are limited to the specific obligations described in this Agreement, and Contractor has no additional responsibilities in connection with the provision of radiology or other imaging services or the operation of the radiology department(s) at or for the Medical Facility. The

obligations of Contractor shall not include overall physician responsibility for the Medical Facility's radiological service under state licensing laws and regulations or under any hospital accreditation standards or requirements, and Medical Facility acknowledges that it is looking to Medical Facility Radiologists to exercise and fulfill such physician responsibility.

2. <u>CONTRACTOR RESPONSIBILITIES</u>:

- A. <u>Professional Services</u>: Contractor shall provide or arrange for the provision of the following services

 (collectively, the "Professional Services"), to be provided by one or more physician employees or independent contractors

 (each, a "Reader") of Contractor during the Hours of Coverage described in Section 2 (F) of this Exhibit:
 - (1) Review of the images (sometimes referred to as "studies") received at a Reading Site from the Service Site;
 - ("Preliminary Report"), consisting of the Reader's typed or handwritten notations on the patient information sheet (or other form as specified by Contractor) transmitted electronically to Contractor's designated website or by facsimile from a Service Site to a Reading Site (commonly referred to as a "wet

- read"), and/or such other information in such form as
 may be required under this Agreement;
- (3) Transmittal of the Preliminary Report to the Service Site by one or more of the methods described in Section 2; and
- (4) Telephone consultation by the Reader with a physician, physician designee, or nurse at the Service Site, to the extent that the patient's condition requires such consultation, and the consultation has been requested from the Service Site prior to or immediately following transmission or identification by the Reader that there exists on the image a condition/result needing immediate attention and/or requiring clarification.
- B. Mammography studies shall not be included within the scope of this Agreement unless and until the American College of Radiology and the United States Food and Drug Administration adopt acceptable digital transmission standards at which mammography studies may be transmitted and interpreted by teleradiology, and the parties have amended this Agreement to provide for such inclusion.

- C. The Professional Services shall be provided for the Service Site during the "Hours of Coverage" upon request from authorized physicians or other personnel at the Service Site.
- D. The Preliminary Report is intended to provide diagnostic information for immediate acute patient care and triage. The Preliminary Report is not intended to comment upon any findings that do not impact immediate acute patient care and triage. Medical Facility shall arrange for its OVMC Radiologists to review the image(s) within twenty-four (24) hours of receipt of the Preliminary Report at the Service Site for purposes of corroborating Contractor's Preliminary Report findings, evaluating and diagnosing additional findings, if any, and preparing the final report.
- evidence that it has, for a minimum of three (3) years, been in business as a provider of teleradiology services described in this Agreement. Prior to the execution of this Agreement, Contractor shall provide the Department of Health Services, Contracts and Grants Division, with a copy of its current business license(s) and appropriate Employer Identification Number.

- F. Hours of Coverage: Contractor shall arrange for a Reader or Readers to be available at a Reading Site ("Coverage") to perform Professional Services during the hours of 7:00 p.m. to 7:00 a.m. Pacific Time, seven days a week, including holidays.
 - G. Qualifications of Readers: Each Reader shall;
 - (a) possess the necessary license(s) to perform
 the professional services required under this
 Agreement;
 - (b) maintain medical staff privileges at the
 Service Site(s), if required by the Service Site
 hospital(s); and
 - (c) be Board Certified in Radiology.
- 3. <u>PERFORMANCE REQUIREMENTS</u>: The services provided by the Readers hereunder shall satisfy the following performance requirement's:
 - A. Preliminary results shall be communicated to the Medical Facility Service Site by one or more of the following methods: (i) electronic Internet transmission, in which case the Preliminary Report is available to the Service Site by logging onto Contractor's secure website; (ii) by facsimile transmission to the Service Site; (iii) by

voice telephone call followed by electronic Internet transmission or by facsimile transmission as described in (i) or (ii) (such follow-up transmission of the Preliminary Report shall be made within one and one half (1½) hours after transmission of the Preliminary Report by voice telephone call); or (iv) by other means agreed to by the parties or as otherwise specified in this Agreement. The Reader shall communicate by voice any results that need immediate attention.

B. Contractor shall require the Readers to use their reasonable best efforts to communicate preliminary results within thirty (30) minutes following receipt of the complete imaging file and all pertinent patient information; provided, however, that Contractor shall not be considered to be in breach of this provision to the extent that additional time is reasonably required in the interest of quality of care, so long as the Reader communicates such results as promptly as practicable in the circumstances. The foregoing shall not be construed to be a guarantee that preliminary results will be communicated within such time frame in all cases.

- C. Contractor shall not be responsible for delays caused by insufficient patient information, receipt of incomplete or inadequate images at a Reading Site, or facsimile or Internet reception failure at a Service Site.

 Each of the parties shall work cooperatively to achieve the aforementioned report turnaround goals.
- 4. <u>EQUIPMENT AND SUPPLIES</u>: Contractor, at no cost to Medical Facility, shall provide or arrange for the provision of the following items and services (collectively, the "Equipment and Supplies"):
 - A. Computer hardware selected by Contractor, to be utilized at the Reading Site(s);
 - B. Computer software selected by Contractor, to be utilized at the Reading Site(s);
 - C. Installation of software at the Reading Site(s), and training of personnel utilizing computer hardware and software at the Reading Site(s);
 - D. Facsimile, telephone, and other telecommunications equipment to be utilized at the Reading Site(s); and
 - E. Any supplies, services, maintenance, repairs, and upgrades reasonably required at the Reading Site(s) in connection with the foregoing.

F. Elements to be Provided by Medical Facility

- 1. <u>Equipment, Software, and Supplies</u>: Medical Facility shall provide or arrange for the following items, at no cost to Contractor:
 - (a) RadWorks Gateway Module (or other image compressor, subject to Contractor's prior approval), to be utilized at the Service Site;
 - (b) CISCO network hardware and software, to be utilized at the Service Site;
 - (c) Installation of software at the Service Site, and training of personnel utilizing computer hardware and software at the Service Site;
 - (d) High-speed communication lines and
 Internet Provider Service from the Service
 Site(s);
 - (e) Facsimile, telephone, and other telecommunications equipment to be utilized at the Service Site; and
 - (f) Any supplies, services, maintenance, repairs, and upgrades reasonably required at the Service Site in connection with the foregoing.

- 2. Functioning and Compatibility of Equipment and Software: Medical Facility shall cause all of the equipment and software referenced in Section F hereof to be fully functional and fully compatible with Contractor's equipment and/or software at all times from and after the start of services throughout the term hereof, subject to reasonable periods of short duration during which maintenance, repair, upgrade, or replacement may be required.
- 5. <u>PERSONNEL</u>: Medical Facility shall employ or cause to be employed at the Service Site(s) certified radiological technologists to properly transmit images to the Reading Site(s).
- 6. <u>COMMUNICATION OF STUDY INTERPRETATIONS</u>: Medical Facility shall take such actions as may be necessary, including provision of sufficient resources at the Service Site, to ensure the immediate communication to the referring physician and/or other appropriate physician(s) of all interpretations of studies performed by the Readers and communicated to a Service Site.
- 7. MAINTENANCE OF FILMS AND PATIENT RECORDS: Medical Facility shall maintain all radiographic films and related patient records pertaining to studies interpreted by the Readers

in accordance with applicable federal and state laws and shall discharge any obligation that Contractor and/or the Readers may have under such laws with respect to such films and records, including but not limited to the preservation of confidentiality at the Service Site(s). Upon request by Contractor, for reasonable business purposes, including patient treatment or in connection with a professional liability claim, Medical Facility shall transmit electronic copies to Contractor and provide access to such films and records by the requesting party or its authorized agent, including the right to make copies thereof at the expense of the requesting party.

8. ADDITIONAL OBLIGATIONS OF MEDICAL FACILITY:

- A. Medical Facility shall notify Contractor of the telephone and facsimile numbers and contact person at each Service Site prior to the Commencement Date.
- B. In the event Medical Facility or its agent or representative at a Service Site experiences difficulty in transmitting an image to a Reading Site, Medical Facility or its agent or other representative shall notify Contractor of such difficulty by telephone immediately.

- C. Medical Facility shall cooperate with Contractor in the delivery of the services to be provided hereunder, including providing reasonable assistance to Readers seeking medical staff privileges at the Service Site.
- D. Medical Facility shall be responsible for obtaining or for causing the physician requesting the Professional Services at the Service Site to obtain any necessary informed consents from patients relating to the provision of Teleradiology Services.
- E. Medical Facility shall cause County on-site

 Radiologists to perform image review in connection with its

 preparation of the final report, in accordance with Section

 2.(D).
- F. Medical Facility shall cause County Radiologists to perform image review in the event that Contractor is unable to receive readable images and/or sufficient patient information from the Service Site during the Hours of Coverage for reason of failure of equipment as referenced in Paragraphs 4. F. 1. and 2., above.
- G. Medical Facility shall cause County Radiologists to exercise overall responsibility for Medical Facility's

radiological service at each Service Site to the extent that such responsibility is required to be exercised by a physician or physician group under state licensing laws and regulations or under any applicable hospital accreditation standards or requirements.

ks:04/23/07

RAD.OVMC/HDHS.AMEND2CD.KS

EXHIBIT F

BILLING, PAYMENT, AND SCHEDULE OF RATES OLIVE VIEW UCLA MEDICAL CENTER

1. <u>BILLING AND PAYMENT</u>: Contractor shall bill County in arrears, in accordance with the terms, conditions, and rates set forth below. All billings shall clearly reflect and provide reasonable detail of the services for which claim is made, including, but not limited to, type of services (procedures) provided, name of the physician affiliate who provided services, date, and hours worked, the authorized rate, and any other charges or credits, as set forth in this Agreement.

Billings shall be made and forwarded to the appropriate Medical Facility to the attention of the Expenditure Management Division promptly at the end of each month. Upon receipt of a complete and correct billing, County shall pay Contractor within thirty (30) working days. Incorrect and/or discrepant billings, as determined by the Medical Facility, will be returned to Contractor for correction before payment is made.

- 2. <u>COMPENSATION RATES</u>: County shall compensate Contractor for providing services hereunder in accordance with the schedule of rate(s) listed below:
 - (a) <u>Hours of Coverage</u>: A fixed fee in the amount of One Hundred Fifty Dollars (\$150) for each Shift. "Shift"

is defined as 7:00 p.m. to 7:00 a.m. Pacific Time, seven days a week; including holidays, and

- (b) <u>Professional Services</u>: A fee for each Study, determined on a monthly basis, as follows:
 - (i) \$40 per Study, up to a total of 200 Studies,during a calendar month (Studies Numbers 1-200/calendar month);
 - (ii) \$36 per Study, for any Study during a calendar month after the first 200 Studies in the same calendar month (Studies Numbers 201-400/calendar month);
 - (iii) \$34 per Study, for any Study during a calendar month after the first 400 Studies in the same calendar month (Studies Numbers 401-600/calendar month);

For example, the compensation described in Section 2(b) payable by Medical Facility to Contractor hereunder for a calendar month in which there are 450 Studies shall be \$16,900, calculated as follows: (i) Studies Nos. 1-200 @ \$40 (200 Studies \times \$40 = \$8,000); (ii) Studies Nos. 201-400 @ \$36 (200 Studies \times \$36 = \$7,200); and (iii) Studies Nos. 401-450 @ \$34 (50 Studies \times \$34 = \$1,700).

Total compensation shall include Shift Fees (\$150 per shift) and Professional Services Fees.

3. For purposes of this Exhibit F, "Study" means a procedure that is described under a particular procedural code under the Current Procedure Terminology (CPT) of the American Medical Association, consistent with generally accepted billing practices (whether or not a particular payer in any particular case actually pays the bill for such procedure). For example, if two (2) CPT codes are utilized, consistent with generally accepted billing practices, to describe the professional services furnished under this Agreement, there would be a fee for two (2) Studies under this Agreement.

ks:04/23/07

RAD.OVMC/HDHS.AMEND2CD.KS